## Before the Federal Communications Commission Washington D.C. 20554

In the Matter of	)	
	)	
Telecommunications Services	)	
For Individuals with Hearing and Speech		) CC Docket No. 03-123
Disabilities, and the Americans v	vith	)
Disabilities Act	)	
	)	

## REPLY COMMENTS OF ULTRATEC, INC.

Ultratec, Inc. (Ultratec) files these reply comments on the Federal Communication Commission's (FCC's) Further Notice of Proposed Rulemaking seeking input on an appropriate rate methodology for interstate telecommunications relay services (TRS). Ultratec limits these comments to cost recovery for captioned telephone relay services.

Ultratec recommends that the Multi-state Average Rate Structure ("MARS") Plan proposed by Hamilton Relay be used to calculate the captioned telephone interstate rate. Specifically, we agree that it would be suitable to use an average of the combined captioned telephone compensation rates adopted by each of the states as the interstate captioned telephone compensation rate. We note that because these rates do differ somewhat from the traditional TRS rates used by the states, the FCC should specify

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<sup>&</sup>lt;sup>1</sup> Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, Further Notice of Proposed Rulemaking, CG Docket No. 03-123, FCC 06-106, 21 FCC Rcd 8379 (July 20, 2006) ("Further Notice").

that the interstate captioned telephone rate be based on this average, rather than an average of the traditional TRS rates paid by the states. As noted by Hamilton, this approach would offer simplicity and regulatory certainty. The market-driven, competitively based rate that would come out of this process would be both reasonable and meet the telecommunications needs of consumers — simply because it will draw on the expertise and analyses of all of the states providing captioned telephone relay service. This methodology would also have the benefit of eliminating the administrative burdens and inefficiencies associated with the current process of analyzing detailed cost

Ultratec appreciates the opportunity to provide the FCC with input on its Further Notice, and is hopeful that the Commission will act quickly in resolving this cost methodology proceeding.

Respectfully submitted,

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data submissions.<sup>2</sup>

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<sup>&</sup>lt;sup>2</sup> Ultratec also joins Hamilton in opposing a hybrid approach that would base the interstate rate on an average of state rates with rate caps or true-ups, because this methodology would penalize relay providers that are more cost efficient in the provision of their services.